How To Make The Perfect Marketing Plan

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Executive Summary

Okay! So here is the start of your marketing plan. Every marketing plan starts with general research to ensure you're on the right path. The executive summary is a concise overview of the proposed course of action and presents the gist of the marketing plan. This will outline your marketing and business goals and make apparent the key aspects of the marketing plan. You want to make this simple enough for anyone who reads it can understand what you are proposing.

There are typically 5 brief components of the executive summary: introduction, situation overview, goal, action overview, and conclusion. I will go into more detail on each below.

Introduction

Every marketing plan should start with an introduction explaining the focal offering, the business managing the offering, and the purpose of the marketing plan. The goal of the introduction is to situate the company's offering in a reader's mind in order to frame the subsequently presented information and facilitate the understanding of the specifics of the plan.

Situation Overview

The situation overview of the executive summary identifies the opportunities and threats the company is facing, both internally and externally. This part should be short and to the point just explaining the advantages and disadvantages of your business and how you plan on leveraging both to reach your goals of this marketing plan.

Goal

The goal component of the executive summary just outlines the main goals or purpose of this marketing plan. You want to explain to the readers what you are hoping to achieve through the tactics you will implement and why this goal will help your business. It is important to list your quantitative and temporal benchmarks here. This means if your goal is to increase market share by 6% in 6 months, your benchmarks would be something like this: Increase market share by 1%(quantitative) each month(temporal) for the next 6 months. This will also allow you to make sure your marketing plan is working and is on track to reach your main goal.

Action Overview

The action overview component outlines the most important aspects of your marketing plan. Your goals have already been stated in the previous component, this part will explain the tactics you will use to reach your goals. Continuing with the previous example: If your goal is to increase market share by 1% each month what tactics will you use to reach this goal? And are these tactics inline with the advantages and disadvantages of your business? This is a great place to outline the 4p's of marketing for your business (product, place, promotion, and price) and what you can do to improve each aspect to better fit your marketing plan. Keep in mind if you are planning on using multiple tactics for different demographics be sure to make that clear in this section.

Conclusion

The executive summary concludes with a short summary of the key aspects of the marketing plan, highlighting the important aspects and reaffirming the proposed course of action.

The key to writing a meaningful executive summary is to present the information in a way that allows a reader unfamiliar with the offering to grasp the essence of the proposed course of action. Depending on the complexity of the marketing plan, the executive summary can take anywhere from a single page to three pages. Make this brief and to the point.

Situation Overview

The situation overview provides an outline of the environment in which your company operates. The purpose of this section of the marketing plan is to provide managers with detailed information about the logic behind the proposed course of action taken by the marketing plan.

The Big Picture

This component of the situation overview delineates the aspects that the company currently competes in. Speaking of the current situation the company finds itself that elicits the need for this marketing plan. “Set the stage” and provide the relevant background necessary for understanding the rationale for the proposed course of action. Some readers of your marketing plan might not be familiar with the specifics of the market or the problem at hand.

Company Overview

The company overview provides information about the company including its goals, assets, current performance, opportunities and threats.This component is where you outline your company’s goals and current performance in achieving those goals. Explain any performance gaps you have noticed and why they occurred. If you had set goals before the making of this plan explain the quantitative aspects and the temporal aspects (what number by when) of those goals. The last part of the company overview is the SWOT analysis of your company. SWOT stands for Strengths, Weaknesses, Opportunities, and Threats. Strengths and weaknesses are internal components and opportunities and threats are external components. Defining all of these is crucial for the success of your marketing plan. You need to know what you’re up against before you can devise a plan to defeat it.

Market Overview

The market overview outlines key aspects of the market in which your company operates. This is a good place to analyze your business’ 5 C’s. For those of you that have not taken a marketing class, the 5 C’s stand for Customers, Company, Collaborators, Competitors, and Context. Even though it might seem rudimentary, it is good to cover all the basics before moving onto the more complex stuff. Define who the customers are for your business and what you know about them, same with Collaborators and Competitors. Defining the Company is showing your definition of the internal team that works with you and their strengths and weaknesses. Defining the context means the area surrounding your business. For this last ‘C’, you can use a PESTEL analysis. PESTEL is an acronym for Political, Economic, Social,

Technological, Environmental and Legal landscapes that affect your business. Defining these key aspects will give the reader of your marketing plan a lot of background information about where the company is at and why it needs to move forward. The rest of your marketing plan will explain your goals and tactics.

Goal

The goal section of marketing plan outlines the what you want to achieve for your business. A Harvard University study shows that 97% of achieved goals were written down and this is why we want to clearly outline our goals. We want to be reasonable yet optimistic, setting the goal too low will bring mediocrity to the marketing plan and setting it too high can prove to be counterproductive. Setting a goal involves two decisions: 1. Identifying the focus of the company's actions and 2. Defining the specific quantitative and temporal benchmarks to be reached.

Goal Focus

There are two types of goals. Monetary and strategic.

Monetary goals - monetary outcomes and typically focus on maximizing net income, earnings per share, and return on investment. Monetary goals are common for most businesses, including non profit organizations.

Strategic goals - nonmonetary outcomes that are for a strategic importance to the company. A strategic goal might involve increasing the unit volume of an offering that, although not profitable by itself, benefits the company by facilitating the sales of other, profit-generating offerings. A strategic goal might also involve enhancing the corporate culture.

Note that monetary and strategic goals are not mutually exclusive: A company might aim to achieve certain strategic goals with an otherwise profitable offering, and a strategically important offering might contribute to the company's bottom line.

Performance Benchmarks

Benchmarks are the most important aspect to achieving your business goals. These are breakdowns of your main goal to ensure you are on track to reaching your goals. If you do not hit these benchmarks your marketing plan must be reanalyzed and reshaped. Benchmarks have to be quantitative and temporal. (Hitting a certain <u>number</u> by a certain <u>date</u>)

Quantitative Benchmarks - Define specific milestones to be achieved by the company with respect to its focal goal. For example, goals such as "increase market share by 2%" or "Improve income by $1,000 a week". Quantitative benchmarks can be expressed in either relative terms (percentages) or absolute terms (numbers).

Temporal Benchmarks - Identify the time frame for achieving a particular milestone. Setting a timeline for achieving a goal is a key strategic decision because the strategy adopted to implement these goals is often contingent on the time horizon.

To recap: set a main goal (for example: increase market share by 12% (quantitative) in a year (temporal)). To ensure you are on track to this goal set benchmarks (Increase market share by 1% every month). Be sure if you do not achieve your benchmarks to find the reason why and make sure you can get the business back on track to achieve your main goal.

Market Objectives

Some goals very in their level of generality. Some goals reflect outcomes that are more fundamental than others. Therefore, a company's goals can be represented as a hierarchy headed by a company's ultimate goal, which is implemented through a set of more specific goals, referred to as a market objectives. Unlike the main goal which is usually defined in terms of a company-focused outcome, market objectives delineate specific changes in the behavior of the relevant market factors - customers, the company, collaborators, competitors, and context- that will enable the company to achieve its ultimate goal.

Customer Objectives - aim to elicit changes in the behavior of target customers
Collaborator Objectives - aim to elicit changes in the behavior of the company's collaborators such as providing cheaper prices or better distribution
Competitive Objectives - aim to elicit changes in the behavior of the company's competitors
Company Objectives - aim to elicit changes in the company's own actions, such as improving product or service quality.
Context Objectives - Less common, but to aim to elicit changes in the surrounding factors of the business such as economic, business, technological, sociocultural or physical context. This would include changing the social stigma of your company.

Defining market objectives is important because without a change in the behavior of the relevant market entities the company's ultimate goal is unlikely to be achieved. Have several meetings with your company's managers and stakeholders to find out what the goals should be before cementing them down for this marketing plan. This step is crucial to the success of your marketing plan.

Strategy

The strategy section of the marketing plan is the meat and potatoes of the document. After the goals have been clearly defined we now set the stage for what strategy we will implement to achieve these goals. The strategy involves 2 components: 1. Defining the offering's target market and 2. Defining the offerings value proposition.

Target Market

The target market can be defined by the 5 C's. These are as follows: Customers, company, collaborators, competitors, and context. Defining each one of these 5 C's for your business builds your target market and clearly shows who you want to bring into your store. I see a lot of business owners not wanting to exclude any type of person or demographic but this is a common mistake. We can allocate more of our marketing efforts towards people we know are likely to buy from us, anyone else is appreciated but is a waste of a marketing budget to try to target everyone. A marketing plan is not just to target your customers but also to change relations amongst the other 4 C's. I will define this in the following paragraphs.

Target Customers

The target customers section of the marketing plan defines the buyers for whom the company will tailor its offering. There are 2 aspects when defining target customers.

1. Identifying customer value: Identifying the customer needs that the company aims to fulfill with its offering and the value it aims to receive from these customers.
2. Identifying customer profile: Identifying observable characteristics of the value-based customer segments that will enable the company to reach these customers in an effective and cost-efficient manner.

The choice of a target customer has a profound effect on the offering's strategy because it defines all other aspects of the target market.

Company

The company section of the marketing plan defines the entity that manages the offering. This entity can be the entire company or a strategic business unit within the company. The identification of the company can also involve an overview of its core competencies and strategic assets.

Collaborators

The collaborators section identifies the entities that will work with the company to design, communicate, and deliver value to its target customers. This would include any graphic designers, media buyers, outside marketers, or other businesses that help with your offering like suppliers. For example,

companies can collaborate to develop a product, create a customer incentive, and deliver the offering to the customer.

Competitors
The competitors section identifies current and potential competitors that target the same customers and aim to fulfill the same customer need as the company's offering. This is important to define what others are offering and how your offer is different and provides more value. This is probably the most crucial component to the strategy section of the marketing plan.

Context
Context is the most elusive component. This is defining for your company outside forces you cannot control such as Political, Economic, Social, Technological, Environmental, and Legal influences that impact your business. Does your industry have laws or rules you must follow? Does your offering affect the environment negatively or positively? Does your offer have some parts that could be considered controversial? Make sure all these are defined so your managers will feel confident implementing your marketing plan.

Value Proposition

The value proposition defines the value that an offering aims to create for the relevant participants in the market (the 5 C's). When developing the market offerings three value propositions need to be considered: one defining the value for target customers, one defining the value for company collaborators, and one defining the value for the company.
Customer Value: How does the offering create superior value for target customers relative to competitive offerings?
Collaborator Value: How does the offering create superior value for the company's collaborators relative to competitive offerings?
Company Value: How does the offering create superior value for the company relative to the other options the company must forgo in order to pursue this offering?

Because the company's ultimate goal is to create market value, the viability of the marketing plan is determined by its ability to create superior value for customers, collaborators, and the company.

Tactics

The tactics section of the marketing plan outlines the means employed to translate the desired strategy into a specific set of actions. The tactical aspect of an offering (or Marketing Mix) includes the following key elements: Product, service, brand, price, incentives, communication, and distribution. This is the fun part of your marketing plan so really put some thought behind the tactics you chose! Quick Tip: Social Media should come last, I have seen so many novice marketers immediately go to a social media strategy. You should come up with a tangible marketing strategy first and then social media should only be the cherry on top.

Product

The product section of the marketing plan captures the key product aspects of the offering, including performance, consistency, reliability, durability, compatibility, ease of use, technological design, degree of customization, form, style, and packaging. For example, you could say your product has more or better features than your competitor's.

Service

The service section of the marketing plan complements the product component by capturing the service aspects of the offering. It outlines the key decisions involved in service management, including product support, customer service, and personnel selection training. This is where you differentiate your customer service from your competitor's. I was recently on the phone with Go Daddy's customer service line and gosh are they fantastic. Sometimes when I'm feeling lonely I'll call them just to talk to someone. Your business can really benefit by going the extra mile for your customers.

Brand

The brand section of the marketing plan defines the offering's brand, focusing on two aspects of brand management: brand elements and brand associations. Brand elements define the identity of the brand through factors such as name, logo, symbol, character, slogan, jingle, and packaging. Brand associations create value above and beyond the value created by the product and service aspects of the offering and involve factors such as emotional benefits. Make sure your branding is timeless and strong. I like to look at modern interior design photos for branding inspiration, hard to describe until you do it for yourself. Make sure your brand can be noticed anywhere and on anything and it is all consistent. If your business does not have solid branding, maybe a rebrand would be great for your new marketing plan.

Price

The price section of the marketing plan defines the key monetary aspects of the offering. An offering's price is often defined by two key components: 1. Retail price and 2. Trade price (wholesale). In diverse markets, both types of price can be given by pricing schedules rather than single prices to enable the company to vary price across customers and distributors.

Incentives

The incentives section of the marketing plan defines the various, typically short-term, benefits associated with the offering. Incentives vary in their target: Customer incentives (coupons, price reductions, volume discounts, etc.); Collaborator incentives (advertising, slotting, stocking, display, etc.); and company incentives (performance bonuses, monetary prizes, spiffs, contests, etc.).

Communication

The communication section of the marketing plan delineates the activities that aim to inform target customers about the availability of the offering and highlight its particular characteristics. This sections doubles down on the previous sections for Tactics, how will you tell your audience about the new offerings or value you are proposing? What is the best way to reach them, Internet Ads? Word of Mouth? Event Marketing? Email blast?

Distribution

The distribution section of the marketing plan delineates the channels through which the offering will be delivered from the manufacturer to end users. This section typically includes factors such as channel structure, channel coordination, Channel type, Channel coverage, and Channel exclusivity.

Make sure all these sections are clearly defined to ensure your marketing plan has a clear path to follow and everyone understands what is being offered. It might seem like a lot but it is well worth it when executing the plan.

Implementation

The development of the strategic and tactical aspects of an offering is followed by defining an implementation plan that delineates the specific activities involved in executing an offering's strategy and tactics. Your implementation plan will have 3 components: Defining the business infrastructure, designing the business processes, and setting the implementation schedule. This is very important to the success of your marketing plan, everything has been leading up to this point. This is where you define where you should be at every benchmark and if you are not there then you need to reanalyze what you are doing wrong and fix it to get your company back on track.

Defining the Business Infrastructure

The business infrastructure defines the physical and organizational structures (entities) involved in developing and managing a given offering. Accordingly, the business infrastructure comprises two key aspects: physical infrastructure and organizational infrastructure.

Physical Infrastructure: defines the basic physical systems of the business. This involves factors such as production and research and development facilities; service, distribution, and warehouse centers; and information technology hardware and software.

Organizational Infrastructure: determines the relationships among different entities within an organization, as well as those between the company and its collaborators. There are three common structures: Functional, Divisional, and Matrix. This is basically grouping the company by the functions each employee (different teams consisting of one of each role), grouping the company into different departments (sales, customer service, finance) for each product, and Matrix is a cross between the two having each employee being a part of 2 teams.

Designing the Business Processes

Implementation processes depict the specific actions needed to execute an offering's strategy and tactics. These processes involve managing the flow of information, goods, services, and money. In this context, several types of implementation processes can be identified: strategic planning (5 C's), resource management (assets like staff and money), product management (Identify key attributes), service management (customer support), brand management (brand identity), price management (modifying existing prices), incentives management (coupons), communication management (advertising), and distribution management (optimal channel of distribution).

Setting the Implementation Schedule

The process of setting an implementation schedule involves deciding on the timing and the optimal sequence in which individual tasks should be performed to ensure effective and cost-efficient

completion of the project. Two good project management techniques are the Critical Path Method and the Program Evaluation and Review Technique.

Once the optimal sequence and duration of the key implementation tasks have been determined, the next step involves the development of an implementation chart. The chart will map the individual tasks and their timelines. Having a visual representation that is updated daily will help keep your marketing plan on track to reach all its goals.

Control

The control section of the marketing plan outlines the processes involved in evaluating a company's progress toward its strategic goals as well as monitoring the changes in the environment in which the company operates. The control section entails two parts: 1. Performance evaluation which focuses on the company's current performance, and 2. Environmental analysis, which focuses on the opportunities and threats in the environment in which the company operates. The two aspects of marketing controls are discussed in more detail in the following sections.

Performance Evaluation

Performance evaluation involves evaluating the outcome of the company's actions versus its goals. This is where you watch the implementation of your tactics to make sure you are on-path to reach your benchmark's temporal and quantitative goals. Do you see how every section is related to each other?

Performance evaluation can lead to one of two outcomes: adequate goal progress or performance gaps.

Adequate goal progress indicates that the company is on track to achieving its goal(s).

Performance gaps signify a discrepancy between the desired and actual performance on a key metric (income, sales, or market share). To illustrate a decline in an offering's market share reflects a performance gap between the company's desire to strengthen its market position and an actual decrease in market share.

In cases when performance evaluation reveals a gap, the current action plan needs to be modified in a way that puts the company back on track toward achieving its goal. The key principle in modifying a company's action plan is that the changes should be directly linked to the cause of the performance gap. This, if the primary cause of the company's inability to achieve its goals is that these goals are unrealistic, then the solution is to set new and more realistic goals.

Environmental Analysis

Environmental analysis aims to identify changes in the environment in which the company operates and, when necessary, adjust the company's current action plan to better reflect the new environment. Depending on their impact on the company, most of the relevant environmental factors can be viewed as either opportunities or threats.

Opportunities are factors that are likely to have a favorable impact on the company's offering. Factors typically considered opportunities include the introduction of favorable government regulations, a decrease in competition, or an increase in consumer demand.

Threats are factors that are likely to have an unfavorable impact on the company's offering. Factors typically considered threats include the introduction of unfavorable government regulations, an increase in competition, or a decline in consumer demand.

The basic principle in modifying the marketing plan is that the changes should directly address the identified opportunities/threats. To illustrate, a company may respond to changes in the overall economic conditions by modifying its pricing and/or incentives strategy.

Exhibits

Exhibits typically make up the last section of the marketing plan. They support the analysis and the resulting course of action outlined in the marketing plan. This is where you make visual representations to really show stakeholders the numbers in a way they can understand and to get them on board with the marketing plan. You can really get creative with this section and if you plan on presenting your marketing plan to your managers have some exhibits printed out for them to see the numbers. The common types of exhibits and the basic principles in developing exhibits are discussed in more detail in the next sections

Types of Exhibits

Exhibits vary in terms of the function they fulfill in the marketing plan and their presentation format. Based on their function, most exhibits can be classified into one of the following three categories: market data exhibits, value analysis exhibits, and marketing mix exhibits.

Market Data Exhibits provide additional info about the key aspects of the potential market for the company's offering.

Value Analysis Exhibits provide info about the key aspects of the value exchange.

Marketing Mix Exhibits provide info about the key tactical factors (4 P's)

Basic Principles in Developing Exhibits

The effectiveness of an exhibit is a function of the degree to which it facilitates an understanding of the rationale and the specifics of the marketing plan.

Developing the Content

Necessary - Exhibits must present information that is relevant to the marketing plan.
Specific - Because exhibits illustrate a specific point made in the text, they should be related to and referred to in the main text contained in the body of the plan.
Clear - Exhibits should be self-contained so that the reader can understand their central point without necessarily referring to the main text.
Succinct - Exhibits should contain only information that is directly relevant to their main point.
Stylistically Functional - The functionality of an exhibit should supersede its style. Exhibits should avoid visually distracting details and be stylistically consistent with the other exhibits in the text.

This is the end of your marketing plan. If you have followed all sections then you will have a full and in-depth marketing plan that can guide you to your business goals. Once you fully achieve your business goals, start the marketing plan process over and create a whole new plan. The biggest tip I cannot stress enough is to always update the marketing of your business, things that worked in the past start to become outdated and less effective.

And as always if you need some help with your marketing plan or your business' marketing in general, feel free to reach out and get The Marketer

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